



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 22, 2000

H.R. 4429 **Electronic Commerce Enhancement Act of 2000**

As ordered reported by the House Committee on Science on July 26, 2000

SUMMARY

H.R. 4429 would authorize the National Institute of Standards and Technology (NIST) to implement various initiatives related to electronic commerce. The bill would direct NIST to establish an advisory board on challenges facing small and medium-sized businesses in using electronic commerce technology and require that the board submit several reports within 18 months after enactment. The bill also would direct NIST to help small and medium-sized companies incorporate electronic commerce technologies in their business practices through a pilot program that would be implemented by grants to Manufacturing Extension Partnership (MEP) centers. Other provisions would direct NIST to assess standards and protocols for electronically integrating data among major manufacturing enterprises.

CBO estimates that implementing the bill would cost \$10 million over the 2001-2005 period, assuming appropriation of the necessary amounts. H.R. 4429 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would have no impact on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 4429 is shown in the following table. For this estimate, CBO assumes that H.R. 4429 will be enacted near the start of fiscal year 2001 and that the necessary amounts will be appropriated each year. Estimated outlays are based on historical spending patterns for NIST and information provided by the agency. The cost of this legislation would fall within budget function 370 (commerce and housing credit).

	By Fiscal Year, in Millions of Dollars				
	2001	2002	2003	2004	2005
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	6	4	0	0	0
Estimated Outlays	1	4	3	1	1

According to NIST, most of the activities authorized by this bill would be implemented in fiscal years 2001 and 2002 and would cost a total of about \$10 million. Of that total, about \$1 million would be used in 2001 to administer both the advisory board and the electronic commerce pilot program. CBO estimates that NIST would dedicate \$4 million in each of the fiscal years 2001 and 2002 for grants to MEP centers as part of the pilot program. Finally, we estimate that another \$1 million would be needed in 2001 to evaluate standards for data integration among industries.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 4429 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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